

§ 19.322

RECEIPT AND STORAGE OF SPIRITS AND WINES

§ 19.322 Receipt and storage of bulk spirits and wines.

(a) *Deposit of spirits into storage account.* A proprietor may receive bulk spirits into the storage account:

(1) From the production facilities of the same plant;

(2) By transfer in bond from another plant;

(3) From customs custody without payment of tax; or

(4) By return to bulk storage.

(b) *Deposit of wine into storage account.* A proprietor may receive bulk wine into the storage account:

(1) By transfer in bond from a bonded wine cellar; or

(2) By transfer in bond from another distilled spirits plant.

(c) *Storage.* A proprietor may store spirits or wines in packages, tanks or portable bulk containers in the storage account on the bonded premises. If stored in portable containers, the containers must be kept so that they can be readily inspected or inventoried by TTB officers.

(26 U.S.C. 5201, 5202, 5211, 5212, 5231, 5232, 5601)

RULES FOR FILLING AND CHANGING PACKAGES

§ 19.324 Filling of packages from tanks.

A proprietor may fill spirits or wines into packages from storage tanks on bonded premises. The spirits or wines in the tank must be gauged before the filling of packages begins and again when the filling is finished if the tank is not empty. The results of the gauges must be recorded in the records required by § 19.618.

(26 U.S.C. 5201)

§ 19.325 Change of packages.

A proprietor may transfer spirits or wines in storage from one package to another. Each new package must contain spirits from only one package except in the case of spirits of 190° or more proof. Packages of spirits must be marked as provided in subpart S of this part. Each package of wine must bear

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the same marks as the package from which the wine was transferred.

(26 U.S.C. 5201)

RULES FOR MINGLING OR BLENDING SPIRITS

§ 19.326 Mingling or blending of spirits for further storage.

A proprietor may mingle or blend spirits in the storage account according to the following rules:

(a) Spirits distilled at 190° or more of proof, whether or not later reduced, may be mingled in storage.

(b) Domestic spirits distilled at less than 190° of proof may be mingled for withdrawal or further storage if the spirits:

(1) Are of the same kind; and

(2) Were produced in the same State.

(c) Imported spirits distilled at less than 190° of proof may be mingled for withdrawal or further storage if the spirits:

(1) Are of the same kind;

(2) Were produced in the same foreign country; and

(3) Were treated, blended, or compounded in the same foreign country and the U.S. import duty was paid at the same rate.

(d) Imported spirits distilled at less than 190° of proof that are recognized as distinctive products under part 5 of this chapter may be mingled for withdrawal or further storage if the spirits:

(1) Are of the same kind;

(2) Were produced by the same proprietor in the same foreign country; and

(3) Were treated, blended, or compounded by the same proprietor in the same foreign country and the U.S. import duty was paid at the same rate.

(e) Fruit brandies distilled from the same kind of fruit at not more than 170° of proof may, for the sole purpose of perfecting such brandies according to commercial standards, be blended with each other, or with any blend of such fruit brandies in storage. Rums may, for the sole purpose of perfecting them according to commercial standards, be blended with each other, or with any blend of rums.

(f) Packaging after mingling or blending must be done under the provisions of § 19.324. The mingled or blended

spirits may be returned to the packages from which they were dumped, or as many of the packages as needed.

(26 U.S.C. 5201, 5214)

§ 19.327 Packages dumped for mingling.

A proprietor must examine each package of spirits to be dumped for mingling. If any package bears evidence of loss due to theft or unauthorized voluntary destruction, the proprietor must notify the appropriate TTB officer before dumping the package. Mingled spirits must be recorded on the tank record required by §§ 19.592 and 19.593, as appropriate.

(26 U.S.C. 5201)

§ 19.328 Determining age of mingled spirits.

When spirits are mingled, the age of the spirits for the entire lot will be the age of the youngest spirits contained in the lot.

(26 U.S.C. 5201)

§ 19.329 Mingled spirits or wines held in tanks.

When wines or spirits of less than 190° of proof are mingled in a tank, the proprietor must gauge the spirits or wines in the tank and record the mingling gauge on the tank record prescribed in § 19.592.

(26 U.S.C. 5201)

USE OF OAK CHIPS AND CARAMEL

§ 19.331 Use of oak chips in spirits and caramel in brandy and rum.

A proprietor may add oak chips that have not been treated with any chemical to packages of spirits. The proprietor must note the use of oak chips on all transaction records. A proprietor may add caramel that has no material sweetening properties to rum or brandy stored in packages or tanks.

(26 U.S.C. 5201)

STORAGE INVENTORIES

§ 19.333 Physical inventories.

A proprietor must take a physical inventory of all spirits and wines held in the storage account in tanks and other

containers (except packages) at the close of each calendar quarter. A proprietor must record the results of the inventory as provided in subpart V of this part. TTB may require additional inventories at any time.

(26 U.S.C. 5201)

Subpart N—Processing of Distilled Spirits

§ 19.341 General.

This subpart covers processing operations at distilled spirits plants. A proprietor authorized to perform processing operations must conduct processing operations in accordance with the provisions of this subpart. Subpart V of this part sets forth recordkeeping requirements that apply to processing operations. Also, the provisions of subpart O of this part apply if a proprietor denatures spirits or manufactures articles on bonded premises as part of processing operations under this subpart.

(26 U.S.C. 5201)

RULES FOR RECEIPT AND USE OF SPIRITS, WINES, AND ALCOHOLIC FLAVORING MATERIALS

§ 19.342 Receipt of spirits, wines, and alcoholic flavoring materials for processing.

(a) *Receipt of bulk spirits.* A proprietor may receive bulk spirits into the processing account:

- (1) From the production or storage account at the same plant;
- (2) By transfer in bond from another distilled spirits plant; or
- (3) By withdrawal from customs custody under 26 U.S.C. 5232.

(b) *Receipt of wines.* A proprietor may receive wines into the processing account:

- (1) From the storage account at the same plant; or
- (2) By transfer in bond from a bonded wine cellar or another distilled spirits plant.

(c) *Receipt of spirits returned to bond.* A proprietor may receive spirits into the processing account that are returned to bond under the provisions of 26 U.S.C. 5215.